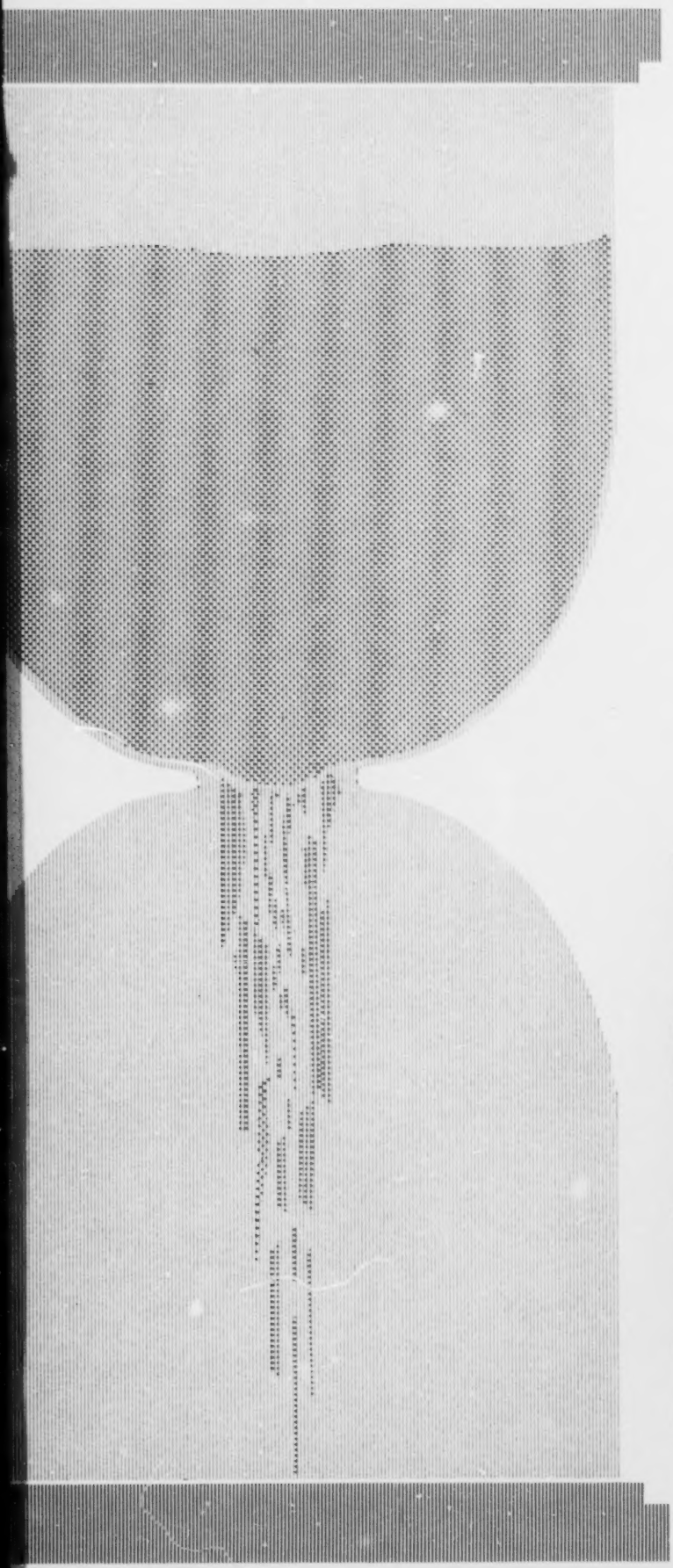
6/13/83 S2490-2(W) A



Youth in the Labor Force

Illinois · 1982

Illinois Bureau of Employment Security
Research and Analysis

Prepared by
PUBLICATIONS AND PROJECT DEVELOPMENT SECTION

Erwin M. Cohen, Assistant Director

Cover design
Bonne J. Pobgee

YOUTH IN THE LABOR FORCE

1982

State of Illinois

E. Allen Bernardi
Director
Illinois Department of Labor

Agaliece W. Miller
Administrator
Illinois Bureau of Employment Security

Harry M. Hardwick
Director,
Research and Analysis

June 1982

Affiliated with the Employment and Training
Administration, U.S.Department of Labor.

YOUTH IN THE LABOR FORCE

Table of Contents

Introduction 1

Overview of Illinois
- The Economy 2
- The Population 4

Overview of Youth
- U.S.Population and Labor Force 5
- Illinois Population and Labor Force 7
- Youth Unemployment 9

Conclusions 11

Glossary of Terms 13

Statistical Tables

1. Illinois Nonagricultural Wage and Salary Employment, 1981 2

2. Illinois Employment by Occupation, 1981 3

3. Illinois Annual Average Labor Force and Unemployment 4

4. 1980 Age Composition of Illinois' Population 5

5. U.S. Labor Force Status, 1981, by Age, Sex, and Race 6

6. Illinois Labor Force Status, 1981, by Age, Sex, and Race 8

7. Illinois Job Service Applicants, by Occupation 9

8. Illinois' Insured Unemployed, by Age, Sex, and Race 10

INTRODUCTION

This is an update of past special labor force reports on youth in the Illinois labor force. As of this writing, 1980 Census data were not available for the age characteristics of the population. In place of Census data, information from the 1981 Current Population Survey has been used.

Youth in the Illinois labor force represented about one out of twelve persons in the total labor force. Among the unemployed, however, they represent about one out of five unemployed persons in the state. Teens (16 to 19 years of age) are disproportionately represented among the unemployed because they need more time to find a job than older persons and therefore are among the unemployed count for a longer time. Teens need a longer job-search period because most jobs today require specific skills and demonstrated experience on a job. Teens have not had a long enough work life to acquire skills in demand or to build a work record. Today's economy offers a decreasing number of low skilled or unskilled jobs. Almost every employer requires a minimum of a high school education.

This report on the labor force status of youth in Illinois will focus on the relative position occupied by teens in the Illinois economy in 1981.

OVERVIEW OF ILLINOIS

The Economy

Illinois' economy revolves around agriculture, manufacturing, and services. Agriculture represents the dominant land use in the state. During 1981, 67.3 percent of Illinois' land was harvested. Leading Illinois crops are corn, soybeans, wheat, and oats, in order of largest yield.

Illinois' nonagricultural economy can be divided between the private sector (manufacturing and nonmanufacturing industries) and the public sector (government). The private sector is dominated by nonmanufacturing: for every one job in a manufacturing industry, there were 2.5 jobs in nonmanufacturing. The 1981 percent distribution of Illinois' nonagricultural employment, by major industry, is shown below:

Table 1
Nonagricultural Wage and Salary Employment*
Illinois - 1981

Total	100.0%
Private Sector	83.9
Manufacturing	23.9
Nonelectrical Machinery	4.6
Electrical Equipment	3.2
Fabircated Metals	2.8
Food Products	2.2
Printing and Publishing	2.0
Primary Metals	1.7
Nonmanufacturing	60.0
Wholesale/Retail Trade	23.1
Services	20.1
Finance-Insurance-Real Estate	6.7
Transportation-Communication-Public Utilities	6.0
Construction	3.6
Public Sector (Government)	16.1
Local	10.8
State	3.2
Federal	2.2

*Current Employment Statistics section, Research & Analysis, Illinois Bureau of Employment Security Only major industries are shown; components will not add to subtotals.

Another way to examine the composition of Illinois' employment is to look at the occupational structure. Almost every major occupational category is represented in every industry. Certain occupations are concentrated in certain industries; for instance, most sales occupations are found in wholesale/retail trade. The 1981 percent distribution of Illinois' employment, by major occupational category, is shown below:

Table 2

Total, all occupations	100.0%
White Collar	54.9
Professional-Technical-Managerial	29.2
Clerical	19.5
Sales	6.2
Blue Collar	31.9
Craftsmen	12.5
Operatives	11.6
Transportation Operatives	3.6
Nonfarm Laborers	4.1
Service	13.2

Source: Unpublished data from the Current Population Survey, Bureau of Labor Statistics, U.S.Department of Labor.

The dominance of nonmanufacturing industries is reflected in the occupational distribution: more than half of the employment is in White Collar oocupations.

Nonmanufacturing industries are more resilient during a recession. Manufacturing employment in Illinois has declined for last three years; nonmanufacturing employment declined only one of those years and at a smaller rate than man facturing.

Unemployment in Illinois has increased since 1979. In 1981, there were 474,000 unemployed Illinoisans or about 8.5 percent of the labor force. The following table shows labor force and unemployment in Illinois since 1970:

Table 3
Annual Average Labor Force and Unemployment*
Illinois

Year	Labor Force (000's)	Unemployment (000's)	Unemployment Rate
1981	5,577	474	8.5%
1980	5,539	458	8.3
1979	5,429	298	5.5
1978	5,420	329	6.1
1977	5,289	325	6.2
1976	5,132	336	6.5
1975	5,068	360	7.1
1974	4,989	212	4.2
1973	4,909	203	4.1
1972	4,855	246	5.1
1971	4,735	242	5.1
1970	4,710	171	3.6

*Bureau of Labor Statisitcs, U.S.Department of Labor.

The current recession appears to be longer and more severe than the last recession (1973-1975). It is expected that recovery will take longer and will be marked by an increase in manufacturing employment and a decrease in the unemployment rate.

The Population

For 1980, the Census Bureau reported 11,418,461 persons living in Illinois. Most Illinoisans live in metropolitan areas of the state: 81.0 percent. The dominant racialgroup is White, especially in rural, low density areas. The racial composition of Illinois, according to preliminary 1980 Census data, is:

Total	100.0%
White	80.8
Black	14.7
Hispanic*	5.6
Asian/Pacific Islander	1.4
American Indian/ Eskimo/Aleut	0.1
Other	3.0

*Hispanics may be of any race; components will not to 100.0%.

About seven percent of the estimated population was between 16 and 19 years of age. This proportion is about the same for Whites, but is higher for Blacks. Because Census data by age are not yet available, the following age distribution is from a special projection compiled by the University of California under contract to the Employment and Training Administration, U.S.Department of Labor:

Table 4
1980 Age Composition of Illinois' Population

	Total	White	Black	Other
All ages	100.0%	100.0%	100.0%	100.0%
16 and over	75.2	76.9	67.8	68.9
16-19	7.4	7.5	8.4	3.3
20-24	9.3	8.9	12.6	5.4
25 and over	58.5	60.5	46.8	60.2

OVERVIEW OF YOUTH

U. S. Population and Labor Force

The national teenage population in 1981 is divided almost equally between males and females: 49.8 percent male, 50.2 percent female. The proportion of males in the teenage labor force is slightly higher than for the population: 53.0 percent of the labor force. Among all persons 16 and over, the male share of the population slips to 47.3 percent, but the share of the labor force rises to 57.0 percent. The male-female distribution of teenagers is more even than the male-female division of the total adult population. The difference is concentrated in the labor force attachment of older-than-teenage females. Many women in older age groups do not participate in the labor force, lowering the overall proportion comprised of women. Males typically have rising labor force participation peaking at 35 to 39 years of age, with teen years the lowest preretirement participation. Female labor force participation peaks twice: at 25 to 29 years of age and 40 to 44 years of age. These two age groups have the highest female representation in the labor force: 43 percent.Thus the teenage labor force for males and females is substantially different from the total labor force..

The teenage labor force typically has higher proportions of unemployment than any other age group. For 1981, the overall teenage unemployment rate was 19.6 percent - about one out of five teenagers in the labor force. Although the unemployment rates were very close, male teens had a higher rate than females; the Nonwhite rate was more than double the rate for Whites.

Table 5
U.S. LABOR FORCE STATUS, 1981*
(in thousands)

BY AGE, TOTAL PERSONS

	16 & over		16-19	20-24
Population	166,436		15,904	20,082
Labor Force	106,393		8,848	15,544
Participation Rate	63.9%		55.6%	77.4%
Employed	98,313	7,115	7,115	13,639
Unemployed	8,080		1,733	1,905
Unemployment Rate	7.6%		19.6%	12.3%
Not in Labor Force	60,043		7,056	4,538
in School	7,548		5,055	1,703
at Home	31,572		635	1,990
Unable	2,645		24	64
Other	18,277		1,343	781

BY SEX

	Males		Females	
	16 & over	16-19	16 & over	16-19
Population	78,769	7,920	87,667	7,984
Labor Force	60,633	4,688	45,760	4,160
Participation Rate	77.0%	59.2%	52.2%	52.1%
Employed	56,168	3,744	42,145	3,371
Unemployed	4,465	944	3,615	789
Unemployment Rate	7.4%	20.1%	7.9%	19.0%
Not in Labor Force	18,136	3,232	41,907	3,824
in School	3,758	2,492	3,790	2,563
at Home	355	17	32,217	618
Unable	1,594	16	1,051	8
Other	12,428	708	5,849	635

BY RACE

	White		Nonwhite	
	16 & over	16-19	16 & over	16-19
Population	145,379	13,347	21,057	2,557
Labor Force	93,586	7,881	12,807	967
Participation Rate	64.4%	59.0%	60.8%	37.8%
Employed	87,340	6,520	10,973	595
Unemployed	6,246	1,361	1,834	372
Unemployment Rate	6.7%	17.3%	14.3%	38.5%
Not in Labor Force	51,793	5,466	8,250	1,590
in School	5,868	3,926	1,680	1,129
at Home	28,078	505	3,494	130
Unable	2,083	16	562	8
Other	15,763	1,018	2,514	325

* Employment and Earnings, January 1982, pp. 149-150; Bureau of Labor Statistics, U.S. Department of Labor.

Illinois Population and Labor Force

Teenagers in Illinois represented 9.7 percent of the adult population in 1981; this was more than enough teens to replace the entire population of DuPage County. The proportion of teens who are males is slightly higher than the proportion of the total adult population that is male: teens = 48.0 percent male; all adults = 46.9 percent male. Nonwhites have a higher representation among teens than among all adults: 20.5 percent versus 15.0 percent.

The teenage population in Illinois is expected to decrease in number and in proportion to the total adult population through 1995. Clearly, the largest impact will be on the state's schools, Another facet of the decline in teenage population will be a reduced pool of potential part-time and temporary workers.

Currently (1981), more than half of Illinois' teens are in the labor force: either working or looking for work. Of the remaining 44 percent, nearly three-fourths are full-time students. Of the total teen population, students represent about one-third; the proportion is the same for males and females. The proportion of the Nonwhite teenage population that is "in School" is 48.5 percent; for Whites, the proportion is 28.6 percent. In general, recessionary conditions encourage young people to complete high school, rather than drop out. Data from the Illinois State Board of Education compared with unemployment rates show that as unemployment rises, dropout rates decline:

	'74-'75	'75-'76	'76-'77	'77-'78	'78-'79	'79-'80	'80-'81
Dropout Rate	5.8%	5.4%	5.7%	6.2%	6.2%	6.3%	5.9%
Statewide Unemployment Rate	7.1%	6.5%	6.2%	6.1%	5.5%	8.3%	8.5%

In general, males have higher dropout rates than females, and Nonwhites have higher rates than Whites. Public high school dropout rates by sex and race, as available, are summarized below:

School Year	Total	Males				Females			
		Total	White	Nonwhite	Hispanic	Total	White	Nonwhite	Hispanic
1980-81	5.9%	6.7	5.2	11.2	13.8	5.1	4.1	8.3	10.8
1979-80	6.3%	7.1	5.8	11.3	13.2	5.4	4.4	8.6	10.7
1978-79	6.2%	7.2	6.1	10.4	14.5	5.2	4.4	7.7	11.1
1977-78	6.2%	7.0	---	----	----	5.3	---	---	----

Table 6
ILLINOIS LABOR FORCE STATUS, 1981*
(in thousands)

BY AGE, TOTAL PERSONS

	16 & over	16-19	20-24
Population	8,503	826	1,100
Labor Force	5,577	461	836
Participation Rate	65.6%	55.8%	76.0%
Employed	5,103	366	723
Unemployed	474	95	112
Unemployment Rate	8.5%	20.5%	13.4%
Not in Labor Force	2,926	365	264
in School	410	270	99
at Home	1,629	33	116
Unable	124	0	4
Other	763	62	45

BY SEX

	Males		Females	
	16 & over	16-19	16 & over	16-19
Population	3,989	396	4,514	429
Labor Force	3,176	237	2,402	224
Participation Rate	79.6%	59.8%	53.2%	52.1%
Employed	2,905	182	2,198	184
Unemployed	270	55	204	39
Unemployed	8.5%	23.3%	8.5%	17.6%
Not in Labor Force	814	160	2,112	206
in School	203	129	207	141
at Home	18	1	1,611	33
Unable	66	0	58	0
Other	537	30	236	32

BY RACE

	White		Nonwhite		Hispanic**	
	16 & over	16-19	16 & over	16-19	16 & over	16-19
Population	7,231	657	1,272	169	371	47
Labor Force	4,819	402	758	59	269	26
Participation Rate	66.7%	61.1%	59.6%	34.9%	72.5%	54.5%
Employed	4,478	334	625	32	235	18
Unemployed	342	68	132	27	34	7
Unemployment Rate	7.1%	16.9%	17.4%	45.8%	12.7%	29.2%
Not in Labor Force	2,411	256	515	109	102	21
in School	292	188	118	82	17	13
at Home	1,393	25	236	8	62	5
Unable	93	0	31	0	4	0
Other	633	43	130	19	19	4

* Unpublished data from the Current Population Survey, Bureau of Labor Statistics, U.S.Department of Labor.

** May be of any race.

Youth Unemployment

Teens typically have the highest unemployment rate of all age groups. For 1981, Illinois teens posted a 20.5 percent unemployment rate - nearly 2.5 times the rate for all adults (see opposite page). Although there are more male teenagers in the labor force than females, males had a substantially higher unemployment rate: 23.3 percent versus 17.6 percent. There was a greater difference between the unemployment rates for all adult males and teenage males than there was between the rates for adult females and teenage females. Nonwhite teens had the highest unemployment rate, even though they had low labor force participation and a high proportion in school.

Many teenagers who are unemployed (looking for work) register with the Illinois Job Service. Although data for teens (16 to 19 years of age) are include in the "under 22" category, Job Service records yield a good description of the kind of young person who is looking for work.

Table 7
Percent Distribution of Illinois' Job Service
Applicants Active October-March 1981, by Occupation*

	All Ages	Under 22	Openings Received
Any Occupation	100.0%	100.0%	100.0%
White Collar	34.8	30.1	40.3
Managers,Officials	5.9	1.8	6.1
Professional,Technical,other Managerial	3.6	1.7	2.9
Clerical	21.4	21.7	21.6
Sales	3.9	4.9	9.7
Blue Collar	43.2	39.5	30.0
Processing	4.2	4.0	3.4
Machine Trades	8.9	6.2	4.6
Bench Work	5.9	3.2	3.1
Structural Work	8.4	8.1	4.3
Motor Freight, Transportation	4.5	4.3	3.7
Packaging,Material Handling	10.5	12.9	10.3
Other	0.8	0.8	0.6
Service	20.8	27.4	25.9
Farm-Fishery-Forestry	1.2	2.9	3.8

* Employment Security Automated Rporting System (ESARS), Table 96.

About two-fifths of the "under 22" Job Service applicants have an occupational background in the Blue Collar category. Another 30 percent have

some experience in White Collar Jobs. In each of these categories, young people are underrepresented in comparison with all applicants. However, in the Service category, 27.4 percent of younger applicants had some experience, compared to about 20 percent of all applicants. They also have a higher representation in Farm-Fishery-Forestry occupations. Where there is a higher proportion of younger applicants, there may also be more success for them in finding jobs. There is less competition from older, more experienced job-seekers.

Younger applicants have very small representation in the Managers, Offcials occupations (White Collar) because they do not have the amount of experience or education usually required to qualify for such jobs. They are simply too young to have had enough time to acquire the prerequisites. Younger people registered with the Job Service also appear to have more experience in occupations which do not require specific skills.

Usually, young people are not eligible for unemployment insurance benefits, because they have not worked long enough to qualify, if they have worked at all. The "under 22" category of the insured unemployed in Illinois is about one-fourth as large as the estimated total number of unemployed who are under 22. As seen on the table below, only 7.7 percent of Nonwhite insured unemployment is under 22, whereas Nonwhite teens alone account for 20.5 percent all Nonwhite unemployment. Teens (young people) are disproportionately represented among the total unemployed.

Table 8
1981 Age Distribution of the Insured Unemployed,
by Sex and Race*

	Total	Males	Females	White	Nonwhite
All ages	100.0%	100.0%	100.0%	100.0%	100.0%
under 22	8.7	8.8	8.5	9.0	7.7
22-24	12.9	13.4	12.0	12.8	13.2
25-34	34.8	35.4	33.5	33.7	38.5
35-44	18.9	18.1	20.3	18.5	20.2
45-64	22.9	22.6	23.7	24.0	19.1
65 & over	1.8	1.7	2.0	1.9	1.4

*Illinois Bureau of Employment Security, ES-203 quarterly reports.

Unemployed youth who are looking for permanent, full-time jobs will be competing with older, generally more experienced job-seekers. Teens have an important advantage in that they are considered entry level workers, and therefore subject to entry level wages. Older workers have been receiving wages well above the lower, entry level and are thus more expensive to hire.

CONCLUSIONS

Youth in the Illinois labor force are faced with the same job finding problems that were evident in 1975. Today, however, the problems are more acute. Ir 1975, there was an unemployment rate of 7.1 percent and a total of about 360,000 persons out of work in Illinois. As the summer of 1982 began, the state had posted an unemployment rate of 11.0 percent and a total of more than 600,000 persons were out of work (May 1982).

For the coming fiscal year, 1983, unemployment in Illinois is expected to average at least 8.5 percent. Teenagers will be averaging about 22 percent unemployed. Teenagers will have to look longer, harder, and farther from home in order to gain any measure of success in job-seeking. Unlike past years, the current teenage population in Illinois will not be faced with the additional competition from increasing numbers of teens entering the labor force behind them. Thus their job-search may be slightly more successful as the amount of like-aged competition decreases.

GLOSSARY OF TERMS

Labor Force - all persons in the civilian population who are over 16 years of age and either employed or unemployed.

Employed - all persons in the labor force who have a job, whether or not they are involved in a labor dispute.

Unemployed - all persons in the labor force who do not have a job, but who are able, available, and looking for work.

Nonagricultural Wage and Salary Employment - all persons who have a job and were at work (not involved in a labor dispute) as measured by a Federal/State cooperative survey of establishments.

Job Service Applicants - all persons who registered with the Illinois Job Service.

Insured Unemployed - all unemployed who are eligible for and receive benefits under the Illinois Unemployment Insurance Act.

Not in the Labor Force - all persons who are not employed or unemployed.

In School - all persons not in the labor force because of school attendance.

At home - all persons not in the labor force because they are keeping house, caring for family members, or otherwise not engaged but would be able to work.

Unable - all persons not in the labor force who are not able to hold a job.

Other - all persons not in the labor force who are retired, too old to work, voluntarily idle, or seasonal workers whose jobs are out of season.